



The Healthy Indiana Plan

House Enrolled Act 1678

Indiana's State Legislature Passed a 44-Cent Cigarette Tax Increase

- **33 cents:** \$11 M to fund immunizations for children; remaining funds to go to health insurance plan
- **2 cents:** Funds to go toward an increase in physician reimbursement
- **1 cent:** Funds to go toward an increase in dental reimbursement
- **5 cents:** Funds to go toward other health initiatives (including \$1.2 M for ITPC)
- **3 cents:** Funds to go toward an employer's Section 125 plan



The Healthy Indiana Plan

Who Is Covered?

Eligible Group: 562,235 Hoosiers

- Uninsured, non-disabled parents of Medicaid/CHIP children from 22%-200% federal poverty level (FPL)
- Pregnant women up to 200% FPL
- Approximately 41,000 childless adults under 200% FPL (Roughly 11% of childless adults eligible)

Other :

- **Not** an entitlement program
- Participants must be: Uninsured for 6 months, and not eligible for employer sponsored health insurance

Plan Structure

The Plan provides:

- **A POWER Account** valued at \$1,100 per adult to pay for medical costs. Contributions to the account are made by the State and each participant (based on ability to pay). No participant will pay more than 5% of his/her gross family income on the plan.
- A **basic commercial benefits** package once annual medical costs exceed \$1,100.
- Coverage for **preventive services** up to \$500 a year at no cost to participants.

Why a POWER Account?

- POWER accounts give participants a financial incentive to adopt healthy behaviors that keep them out of the doctor's office. When they do seek health care, plan participants will seek price transparency so they can make value conscious decisions.

The Healthy Indiana Plan

\$500 Free Preventive Care

- Smoking Cessation
- Prostate Exam
- Diabetes
- Mammogram
- Physicals

POWER Account

\$1,100 Individual* and State Contributions

- Controlled by Participant to cover initial medical expenses

INSURANCE COVERAGE

**\$300,000 Annual Coverage
\$1 Million Lifetime Coverage**

Covered Services

- Physician Services
- Prescriptions
- Diagnostic Exams
- Disease Management
- Home Health Services
- Outpatient Hospital
- Inpatient Hospital

*Individual contribution not to exceed 5% of gross annual income

What is Covered?

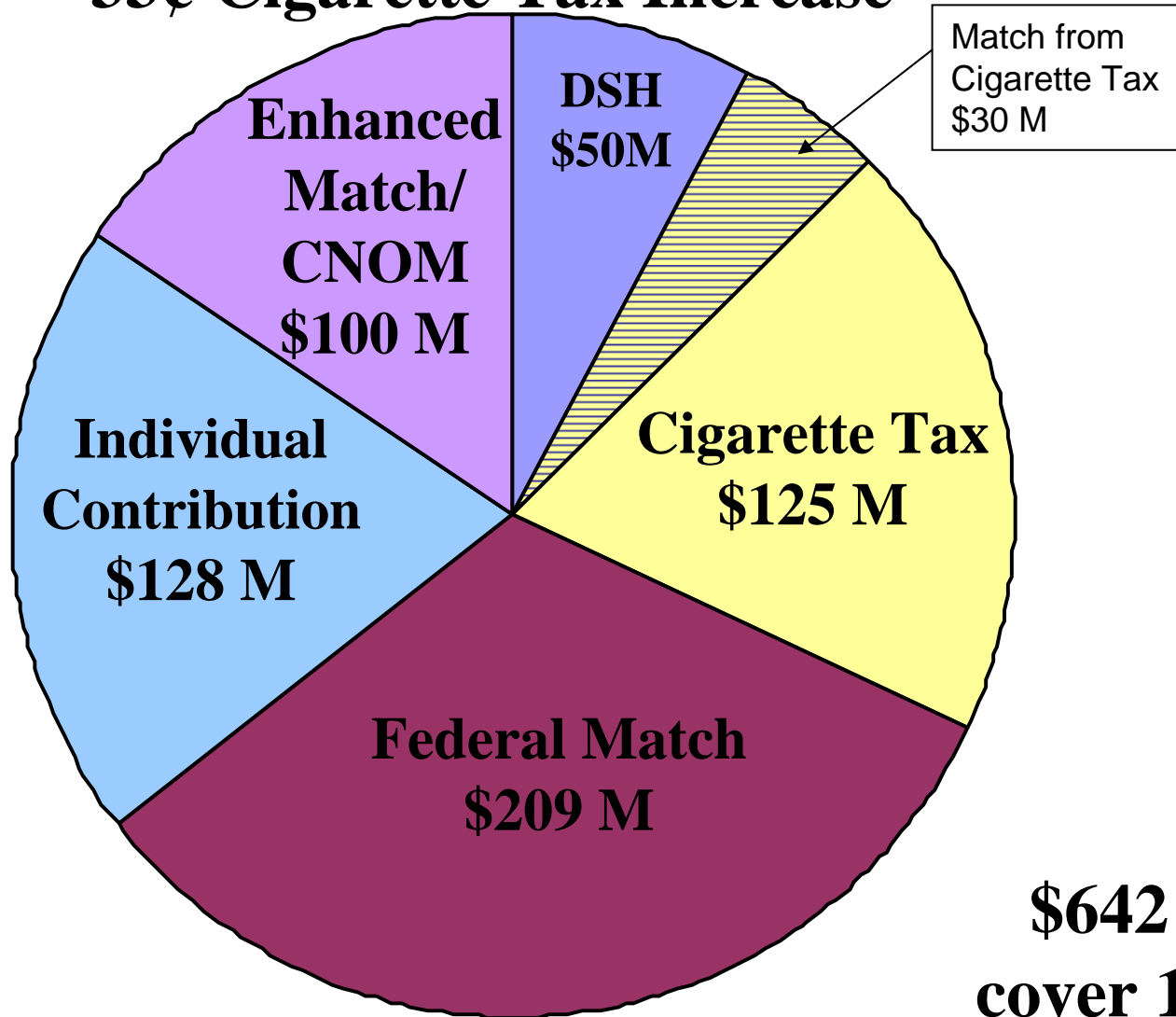
- **Services include**: physician services, prescriptions, diagnostic exams, home health services, outpatient hospital, inpatient hospital, hospice, preventive services, family planning, and case and disease management
- **Mental health coverage** is similar to coverage for physical health, and includes substance abuse treatment, inpatient, outpatient, and drugs
- **Vision and/or dental coverage** can be purchased as a rider. Individuals will pay 50% of the premium cost (on top of their POWER Account contribution) for these services.

Other Plan Specifics

- Sliding scale for individual contributions (based on % of gross family income):
 - 0-100% FPL: 2%
 - 100%-125% FPL: 3%
 - 125%-150% FPL: 4%
 - 150%-200% FPL: 4.5%
- No co-pays except for ER use
- If all age, sex and pre-existing condition appropriate preventive services are completed, all (State and individual) remaining POWER Account funds will rollover to offset the following year's contribution.
 - If preventive services are not completed, only the individual's prorated contribution (not the State's) to the account rolls over.

Funding for the Healthy Indiana Plan

33¢ Cigarette Tax Increase



**\$642 M to
cover 126,000**

Other Items in HEA 1678

- **Insurance coverage to children (under the Indiana CHIP program):** Increases coverage to children to 300% FPL
- **Presumptive Eligibility:** Presumptive eligibility for pregnant women.
- **Employer's Section 125 Plan:** Provides a credit to employers for the cost of implementing a Section 125 plan of \$50 for each employee up to \$2,500
- **Coverage for Pregnant Women:** Increases coverage for pregnant women from 150% FPL to 200% FPL

Other Items in HEA 1678

Small Business Qualified Wellness Program Tax Credit

- Provides an employer wellness tax credit for those employers who offer a wellness program that rewards overweight employees for losing weight or employees for not using tobacco
- This only applies to employers 100 or less employees
- Taxpayers who want to receive the credit must get a certificate of satisfaction from ISDH that they have a “Qualified Wellness Program”